



# VA Gulf Coast: Joint Venture Review



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## 2011 VA/DoD Joint Venture Conference



# VA Gulf Coast: Joint Venture Review

Biloxi/Keesler: Joint Venture Review



- VA Gulf Coast Veterans Health Care System: 61,119 enrolled beneficiaries from 18 coastal counties of AL, MS, and FL (247,115 eligible)
- 81<sup>st</sup> Medical Group: 27,500 enrolled beneficiaries from catchment area. Commander is also Senior Market Manager for TRICARE Gulf Coast Multi-Service Market Office (GCMSMO).



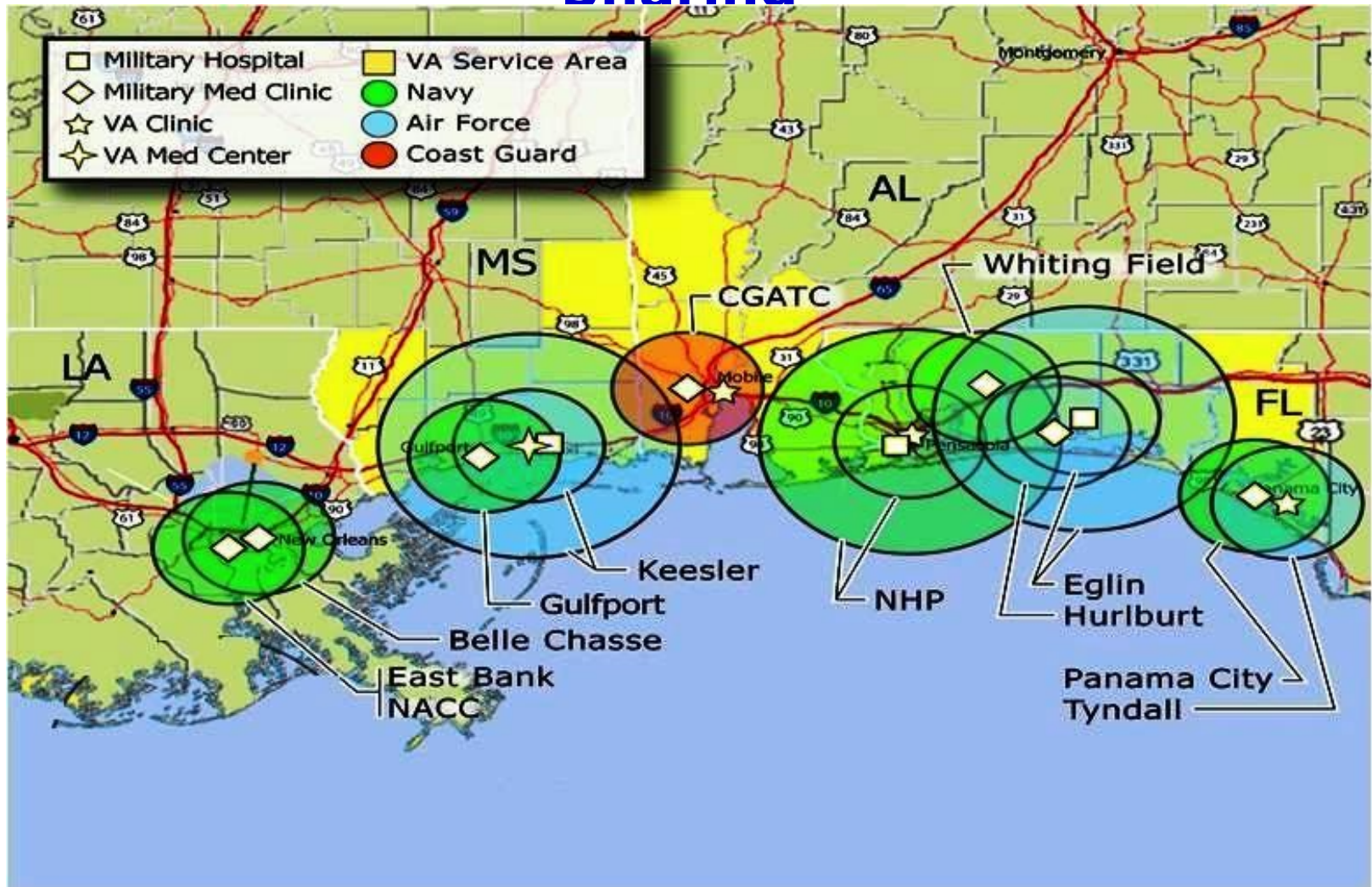
# VA Gulf Coast: Joint Venture Review

## OVERVIEW



- Gulf Coast Multi-Service Market Office (MSMO)
  - Volume/Savings
  - Encounters
- Centers of Excellence
  - Cardiovascular Care
  - Magnetic Resonance Imaging (MRI)
  - Radiation Oncology
  - Sleep Lab
- Joint Venture Performance Measures
- Future Initiatives and/or Proposals
- Best Practices/Lessons Learned
- Other Joint Activities

# Overlapping Gulf Coast Multi-Service Markets Provides Unique Opportunity for VA/DoD Sharing



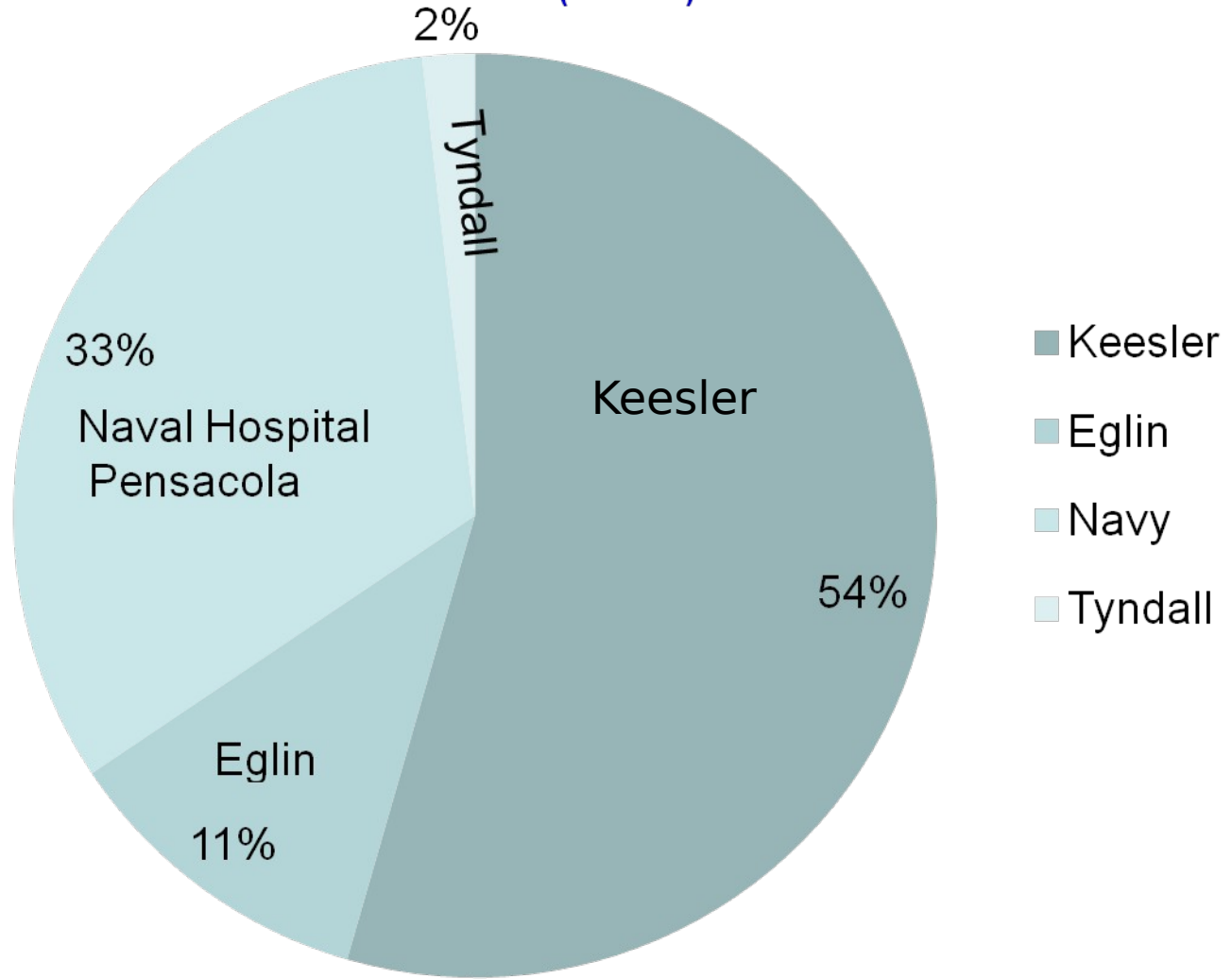


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## Distribution of DoD Outpatient Consults 10/1/10-9/28/11

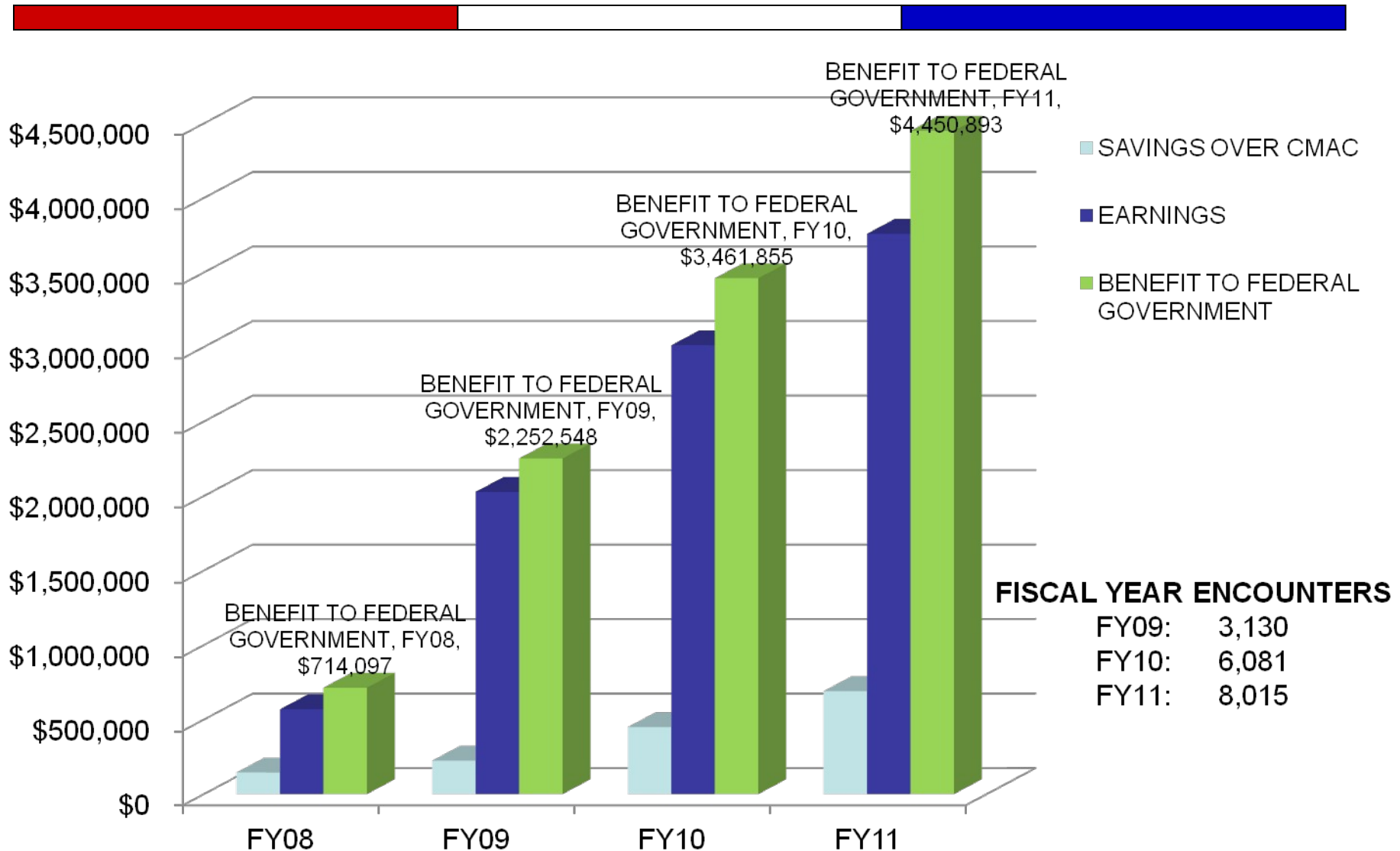
Source: VistA (9/28/11)





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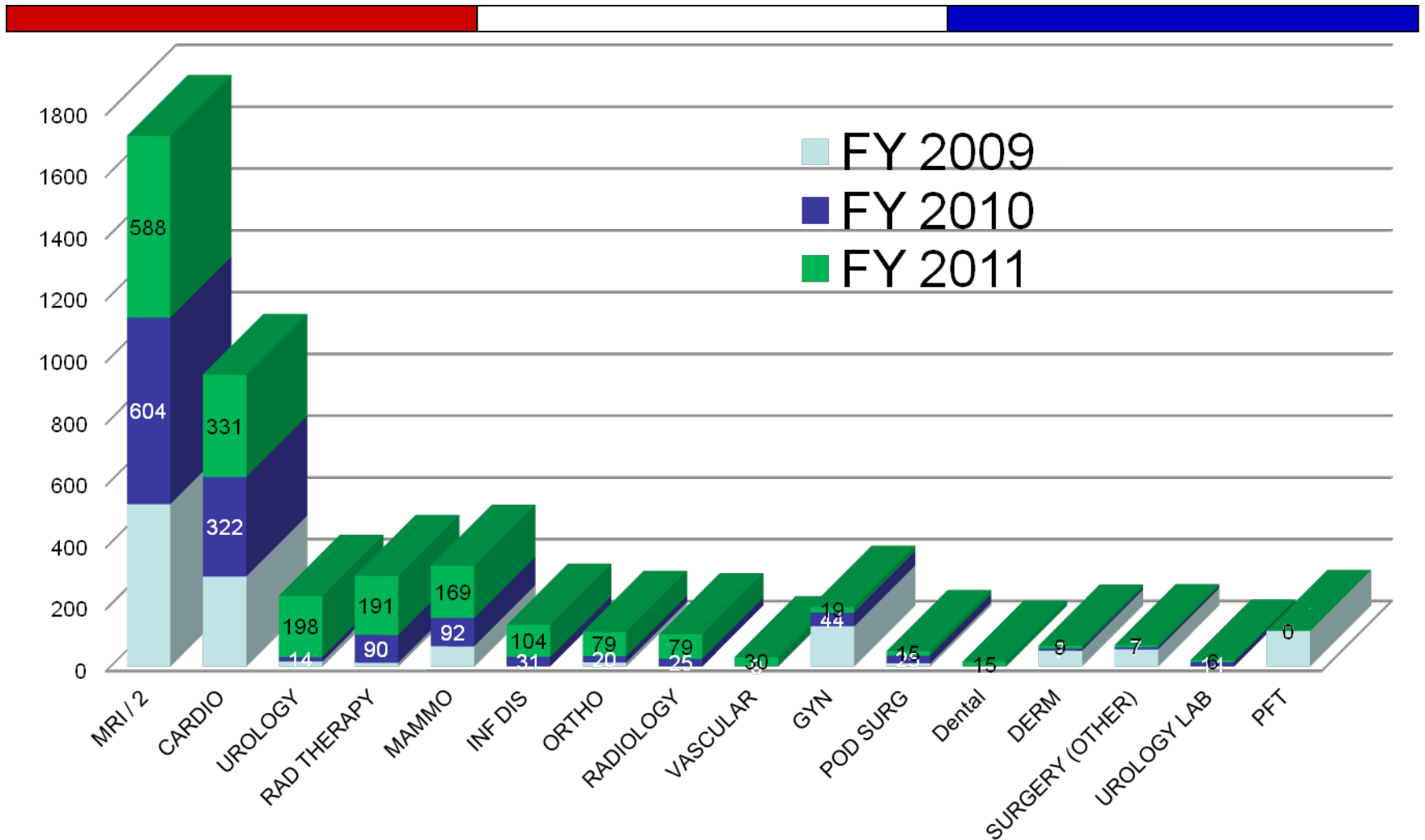
## SAVINGS, EARNINGS, BENEFIT TO FED GOV





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## Biloxi VA Consults to Keesler AFB





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TOP 5

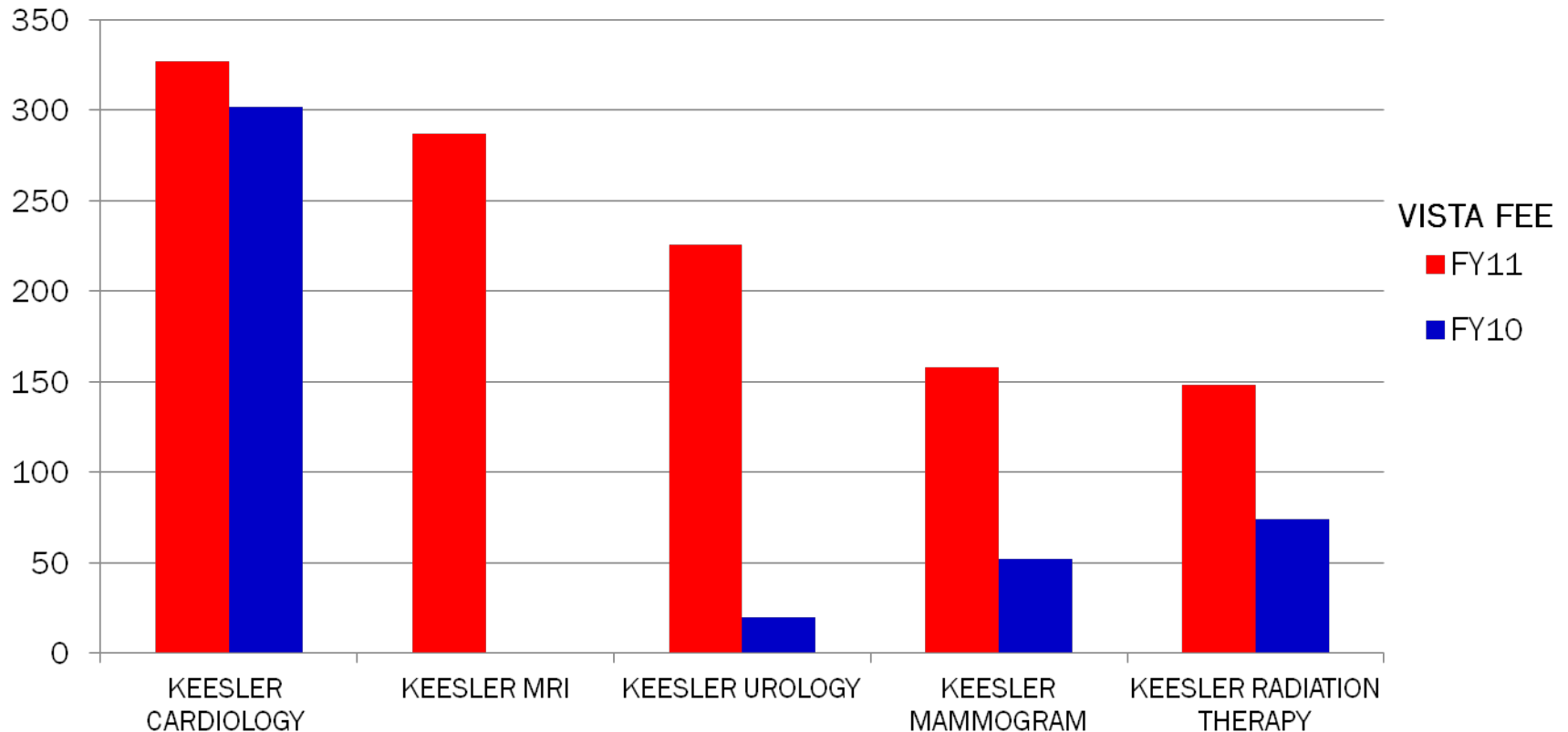
Active, Pending, Completed, Scheduled Keesler Outpatient Consults

FY10 vs. FY11



Keesler

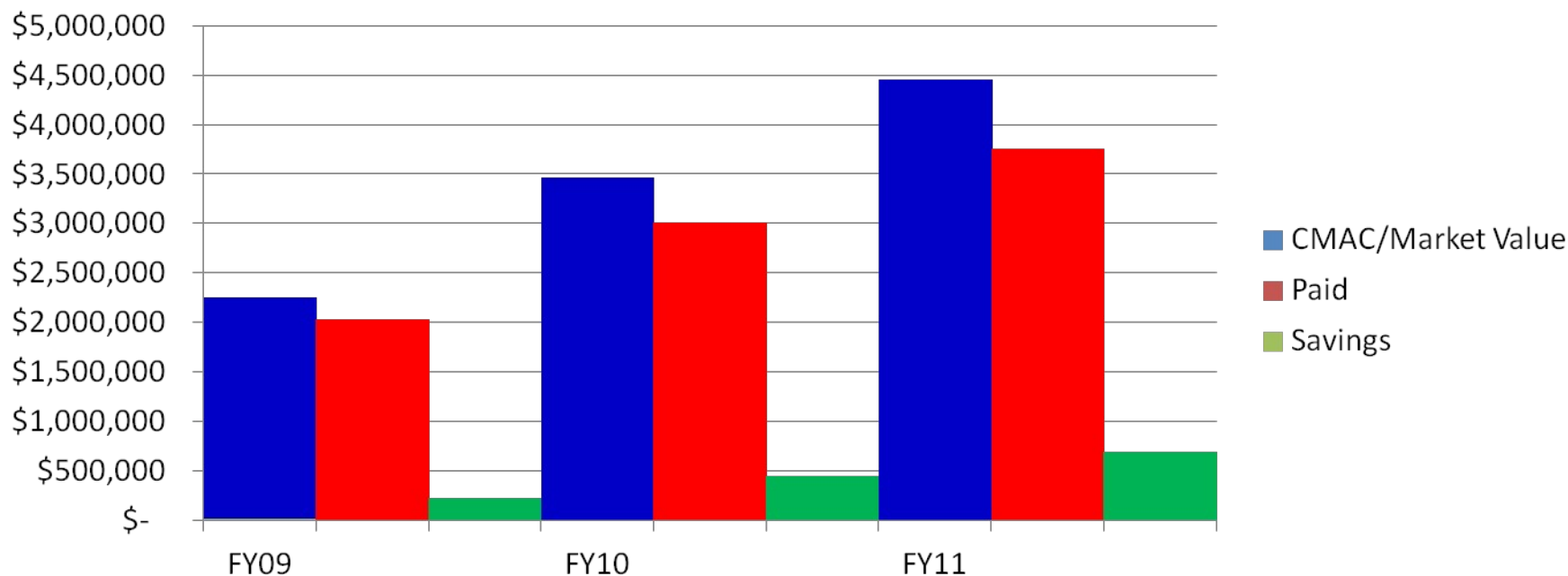
Source: VISTA (9/28/11)



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## Total Volume/Cost Savings/Encounters

### Keesler



Combined VA savings over three FYs: \$  
**1,365,205**

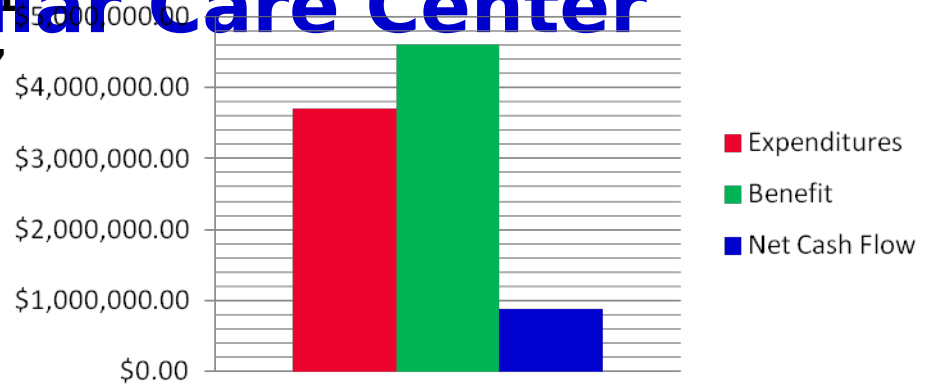
	FY09	FY10	FY11
<b>CMAC/Market Value</b>	\$ 2,252,548	\$ 3,461,855	\$ 4,450,893
<b>Paid</b>	\$ 2,028,111	\$ 3,011,861	\$ 3,760,118
<b>Savings</b>	\$ 224,437	\$ 449,993	\$ 690,775
<b>VA Encounters at Keesler</b>	3,130	6,081	8,015

Savings Calculated: CMAC/Market Value Less Negotiated Rate with DoD

Paid and encounters are based on bills paid.

# Center of Excellence: Joint Cardiovascular Care Center

**Cost Benefit Performance between 81 MDG, Keesler AFB, MS / VAMC, Biloxi, MS**



## **Service Provided:**

- Joint Cardiovascular Care Center

**Agreement:** The Joint Cardiovascular Care Center (JCCC) is a Center of Excellence located on the 81 MDG campus. Its implementation was made possible by a Joint Incentive Fund (JIF) that provided \$2.7M investment in renovating the JCCC for joint VA/AF use. A total of \$3.912M JIF made it possible to renovate and expand 81 Medical Group's Cardiac Catheterization Lab for joint VA/AF use. Nearly 75% of the JIF was designated to 81 MDG for new equipment and renovations that included adding an additional cardiovascular lab suite at 81 MDG campus. The JIF also provided funds to the VA to hire 1 registered nurse (RN) and 2 cardiovascular technicians who work in the Joint Cardiac Cardiovascular Care Catheterization Lab on the 81 MDG campus.

**Baseline and Current Status:** Currently, 81 MDG receives about 35 Veterans each month.

**Quantitative Results from the Agreement:** This initiative provides a local option for invasive cardiology. Current expenditures are \$3.7M with cumulative benefit of \$4.6M. The current net positive cash flow is \$881K. This is especially important because it is difficult for cardiac patients to travel and maintain family support.

**Qualitative Value of the Agreement:** Care is provided locally providing faster service and giving 81 MDG and VA providers better and faster access to study results while reducing the stress of cardiac patients and their families traveling to Houston for their care.

# Center of Excellence: Magnetic

**Cost Benefit Performance between 81 MDG, Keesler AFB, MS / VAMC, Biloxi, MS**

## Resonance Imaging (MRI)



### Service Provided:

- Magnetic Resonance Imaging (MRI)

**Agreement:** The MRI Center of Excellence is located on the 81 MDG campus. 81 MDG agrees to provide MRI studies for eligible Veterans on a space available basis. The MRI initiative is supplemented with a Joint Incentive Fund (JIF) that provides \$1.243M for 4 81 MDG contract employees (3 technicians and 1 administrative support), 1 VA radiologist, and a VA workstation installed in 81 MDG radiology to expand capacity.

**Baseline and Current Status:** Currently, the MTF receives an average of about 50 Veterans a month. Capacity for 81 MDG has increased by about 50 DoD beneficiaries a month as well. The VA radiologist divides her time equally between the Keesler and Biloxi campuses. Over the 4-year life of this JIF, increase capacity has provided resources for 2878 VA MRIs valued at \$1.6M and 619 additional DoD MRIs valued at \$345K (total contribution to cumulative benefit: \$1.95M). The JIF cumulative benefit (1.95M) minus JIF obligations (\$1.243M) equals' positive case flow of \$708,033.

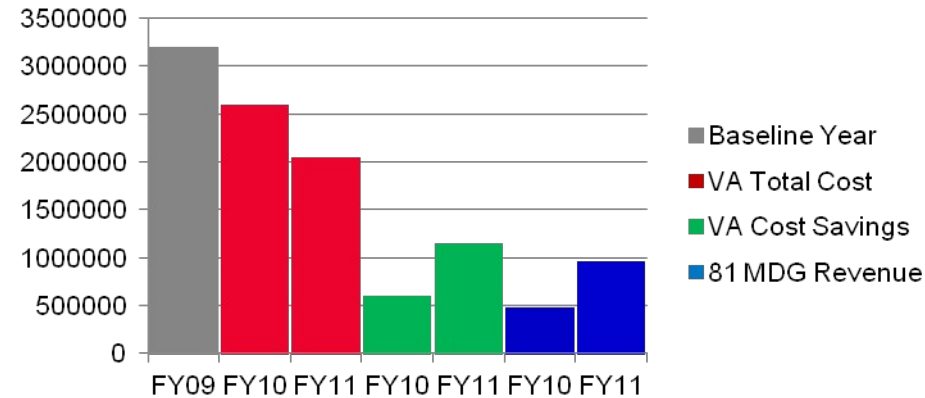
**Quantitative Results from the Agreement:** As stated above, the total obligations for staff and equipment to date is \$1.243M with a cumulative benefit had the same workload been referred to the private sector of \$1.951M. That equates to a positive cash flow of \$708K.

**Qualitative Value of the Agreement:** Care is provided in-house providing faster service and giving 81 MDG and VA providers better and faster access to study results.

# Center of Excellence: Radiation Oncology

(through August 1, 2011)

**Cost Benefit Performance between  
81 MDG, Keesler AFB, MS / VAMC,  
Biloxi, MS**



**Service Provided:** Radiation Oncology

**Agreement:** Radiation Oncology Services are provided at the Keesler Campus. To the extent capacity is available, 81 MDG agrees to see all eligible Veterans that VA Gulf Coast Veterans Health Care System refers to 81 MDG Radiation Oncology Clinic. Two VA employees are assigned to the Keesler Radiation Oncology Clinic to provide administrative support. In this arrangement, Keesler 81 MDG Will bill VAGCVHCS for services provided to VA patients at CMAC less 25%. The Radiation Oncology needs of VA beneficiaries include, but are not limited to: new-patient consultation, diagnostic evaluation with or without biopsy/pathology, treatment, and follow-up care.

**Baseline and Current Status:** In comparison to baseline year FY2009: VA reduced cost \$604K in FY 2010 and \$1.084M in FY2011.

	FY2009 Referrals	FY2009 Cost	FY2010 Referrals	FY2010 Cost	FY2011 Referrals	FY2011 Cost
81 MDG	8	\$46,698	50	\$474,406	96	\$957,825
PSC	250	\$3,149,269	184	\$2,117,292	85	\$1,083,591
<b>Total</b>	<b>258</b>	<b>\$3,195,967</b>	<b>234</b>	<b>\$2,591,698</b>	<b>181</b>	<b>\$2,041,416</b>
<b>Savings when compared to FY2009</b>			<b>FY2010</b>	<b>\$604,269</b>	<b>FY2011</b>	<b>\$1,083,591</b>

**Quantitative Results from the Agreement:** In 2010 total VA cost for private sector care (PSC) and 81 MDG combined referrals for Radiation Oncology dropped from \$3.195M to \$2.592M for a FY2010 VA savings of \$604K. In FY2011, total VA costs dropped to \$2.041M saving VA \$1.084M. 81 MDG revenue from the VA for Radiation Oncology referrals has risen from \$47K in FY2009 to \$958K in FY2011.

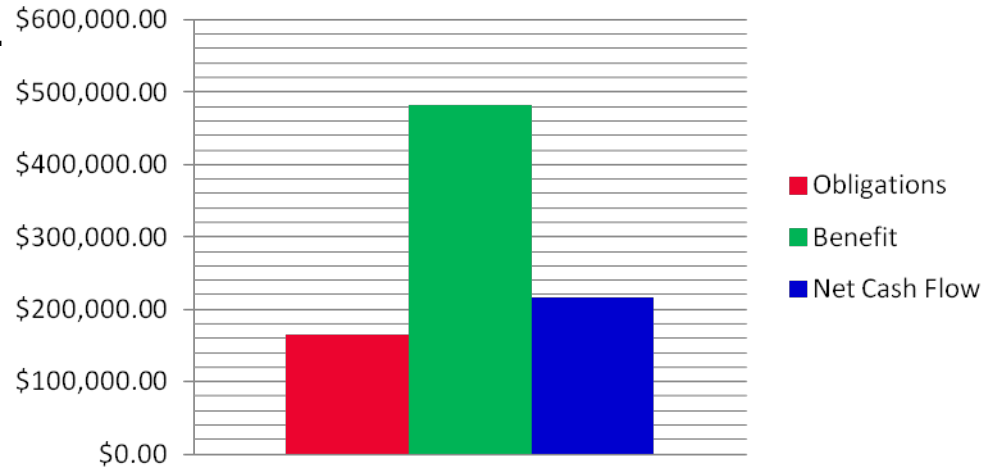
**Qualitative Value of the Agreement:** Reduce VA Radiation Oncology leakage to the civilian network. Improve access to timely evaluation and treatment and tighter control of care being delivered through a joint initiative with VA/DoD partners vs. referrals to private sector care.

# Center of Excellence: Sleep Laboratory

**Cost Benefit Performance between 81 MDG, Keesler AFB, MS / VAMC, Biloxi, MS**

**Service Provided:**

- Sleep Laboratory



**Agreement:** The Sleep Laboratory is located on the Biloxi VAMC Campus. Although this is a joint sleep lab, VA and 81 MDG are responsible for providing staff to cover their respective workload requirements. This is a Center of Excellence supplemented by a JIF to upgrade equipment and expand Sleep Lab capacity that provided funds for three VA employees (two technicians and one administrative support) and one 81 MDG contract technician.

**Baseline and Current Status:** Expanding staff has enabled us to reduce VA referrals to the private sector from 400 referrals in FY2010 to 100 in FY2011. Telephone reminders has reduced the no-show rate from about 28% to about 6%. 81 MDG has been delayed in hiring its contract technician due to a contract award protest which has been settled, clearing the way to proceed with the contract.

**Quantitative Results from the Agreement:** Total obligations for staff and equipment to date is \$165,728 with a cumulative benefit, had the same workload been referred to the private sector, of \$382,546. That equates to a positive net cash flow of \$216,818.

**Qualitative Value of the Agreement:** Care is provided in-house providing faster service and giving 81MDG and the VA tighter control, thereby reducing the number of unnecessary repeat sleep studies and faster access to study results.



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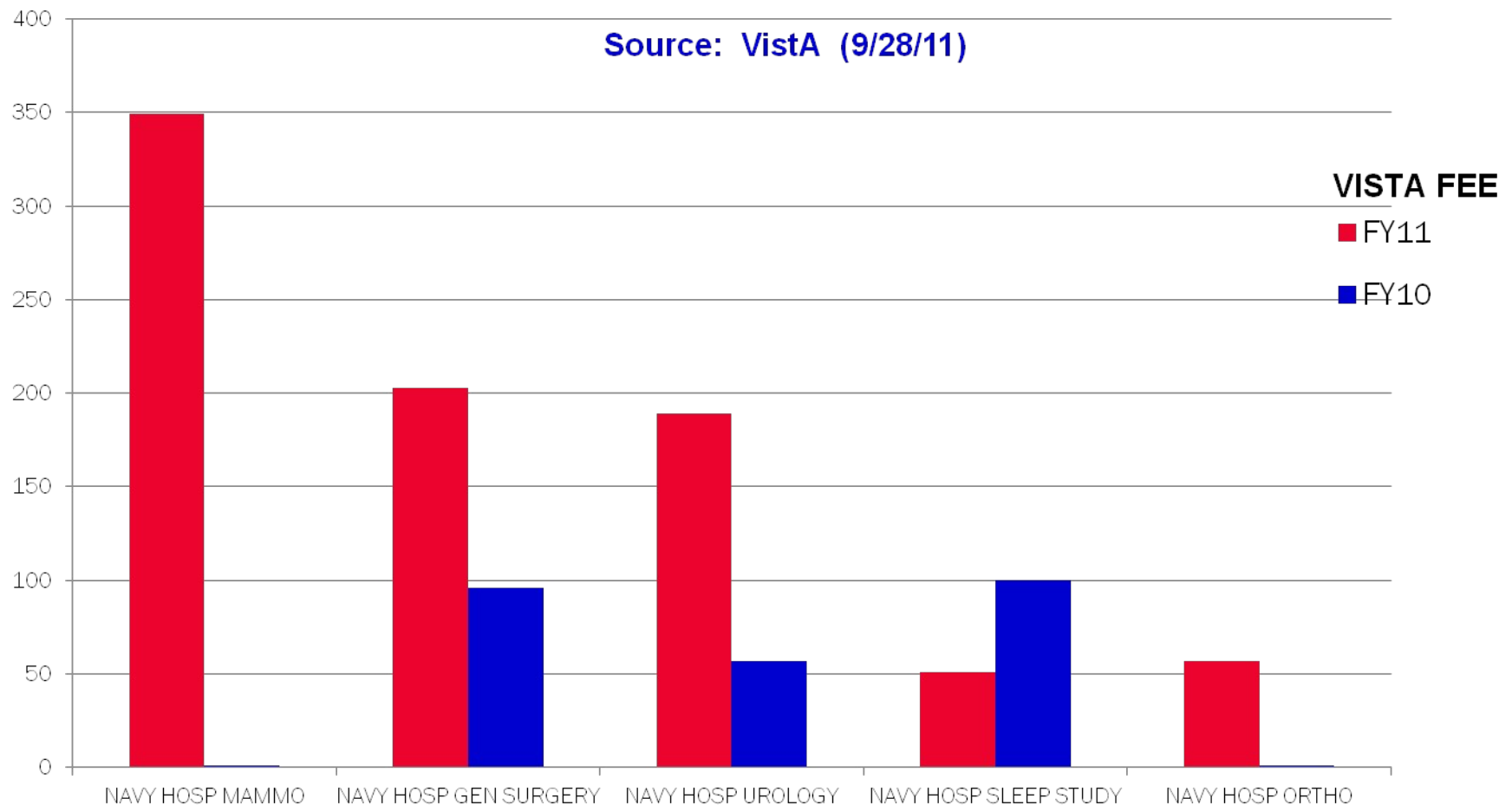


Active, Pending, Scheduled, Completed Navy  
Outpatient Consults FY10 vs. FY11



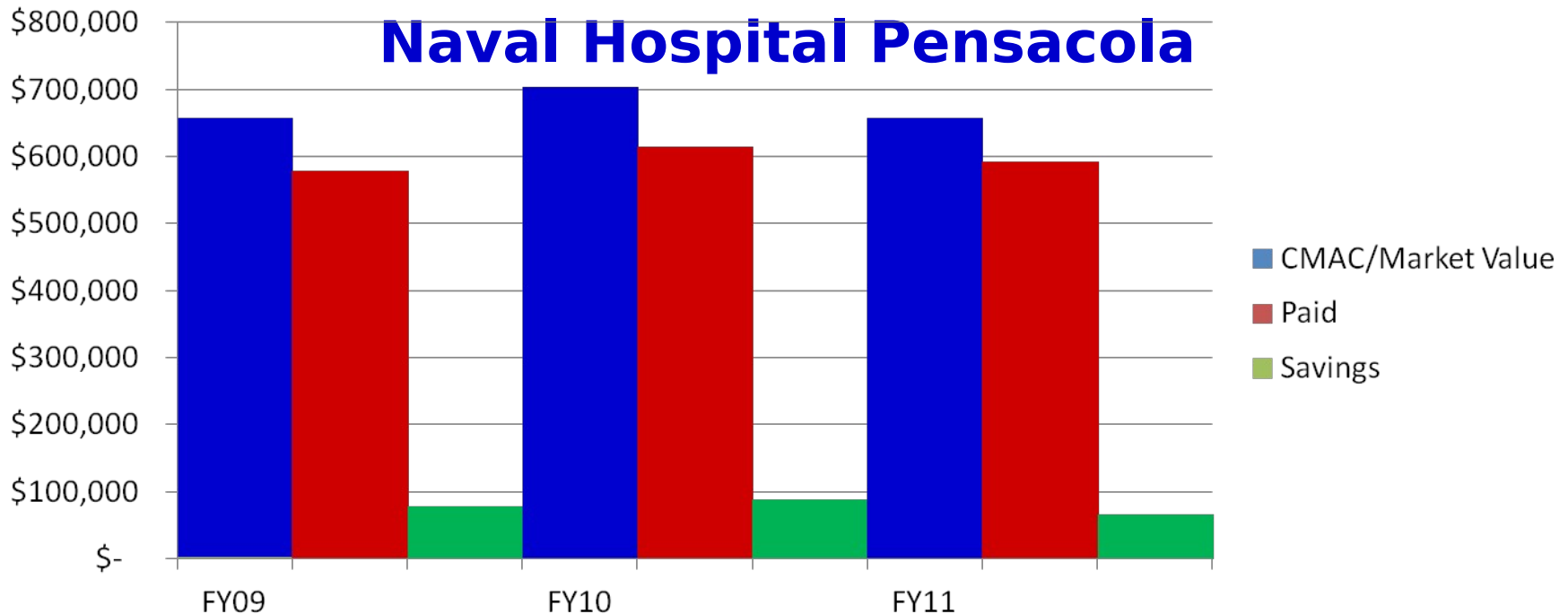
Navy

Source: VistA (9/28/11)



# VA Gulf Coast: Joint Venture Review

## Total Volume/Cost Savings/Encounters



Combined VA savings over three FYs: **\$ 233,252**

	FY09	FY10	FY11
<b>CMAC/Market Value</b>	\$ 657,180	\$ 703,032	\$ 657,705
<b>Paid</b>	\$ 578,893	\$ 614,331	\$ 591,441
<b>Savings</b>	\$ 78,287	\$ 88,701	\$ 66,264
Savings Calculated: CMAC/Market Value Less Negotiated Rate with VA Paid and encounters are based on bills paid.			
<b>VA Encounters at NH Pensacola</b>	1,660	923	724



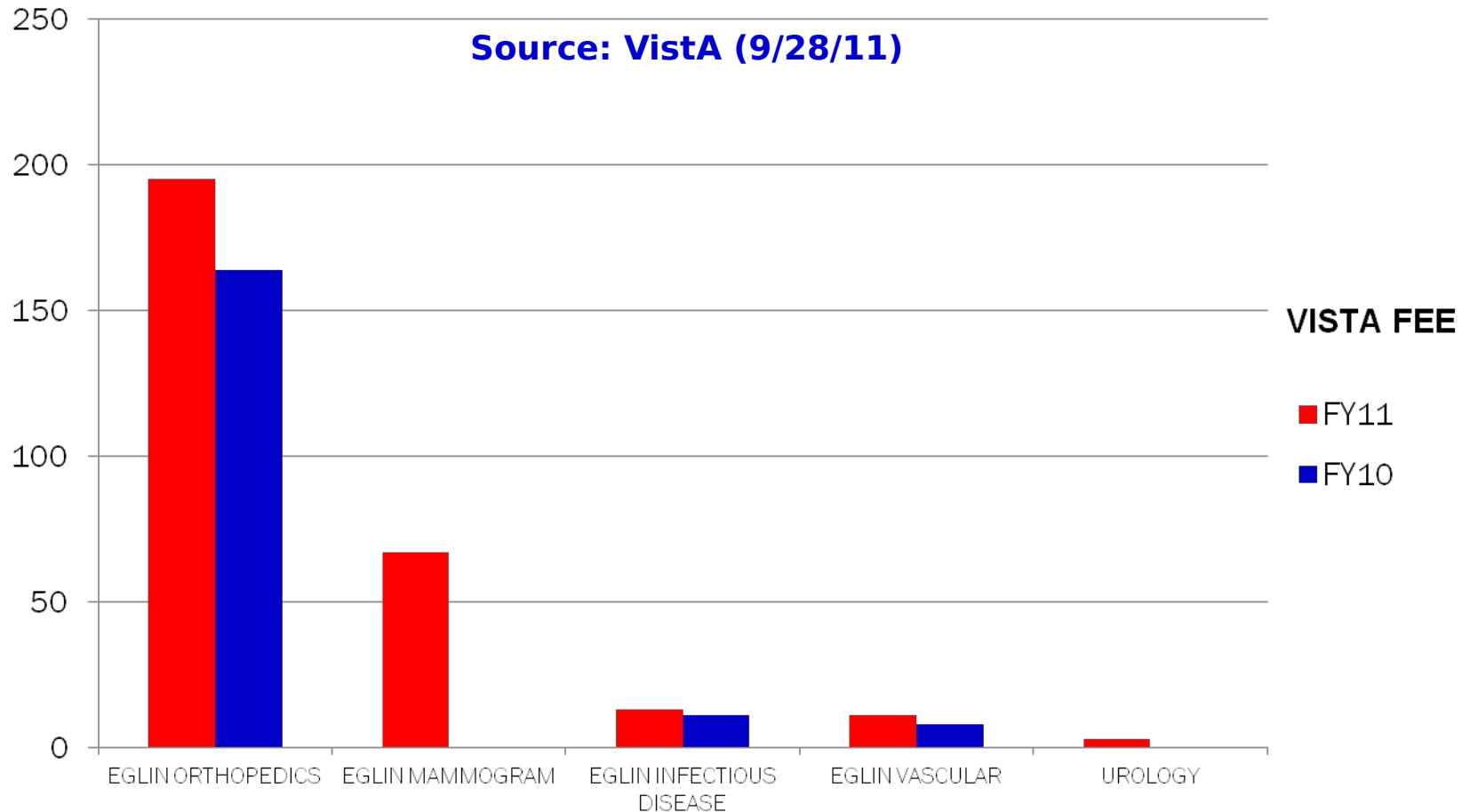
# VA Gulf Coast: Joint Venture Review

TOP 5

Active, Pending, Competed, Scheduled Eglin Outpatient  
Consults FY10 vs. FY11



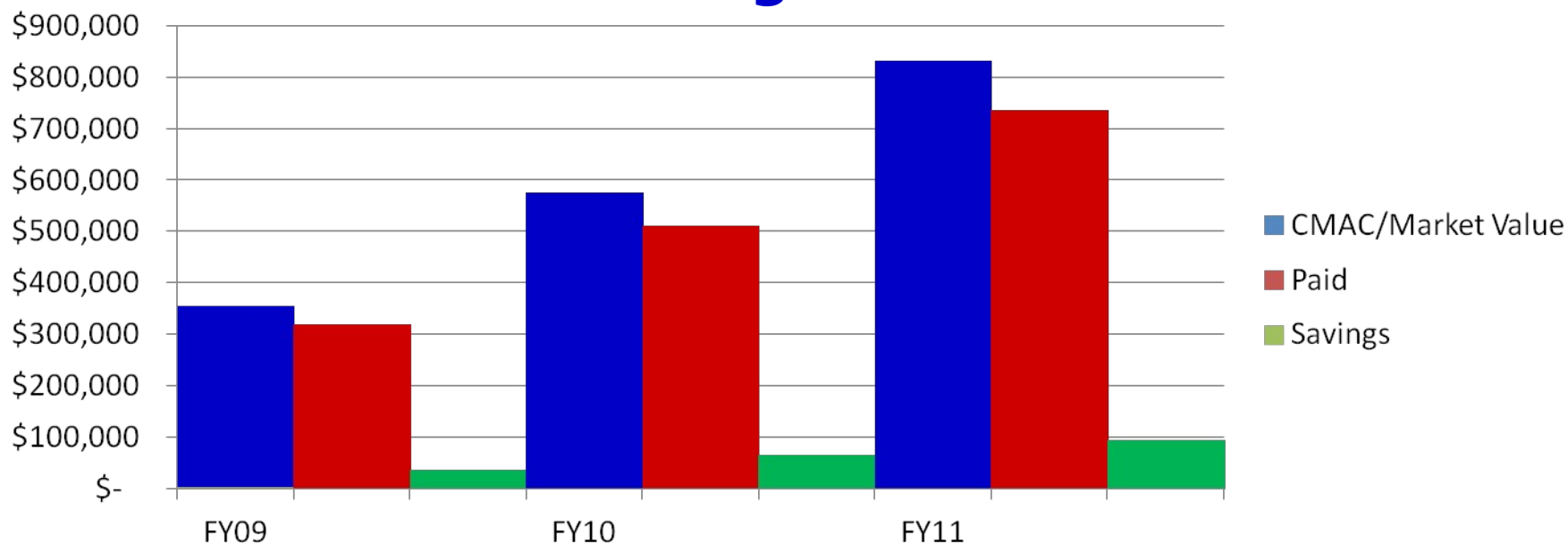
## Eglin



# VA Gulf Coast: Joint Venture Review

## Total Volume/Cost Savings/Encounters

### Eglin



Combined VA savings over three FYs: **\$ 196,055**

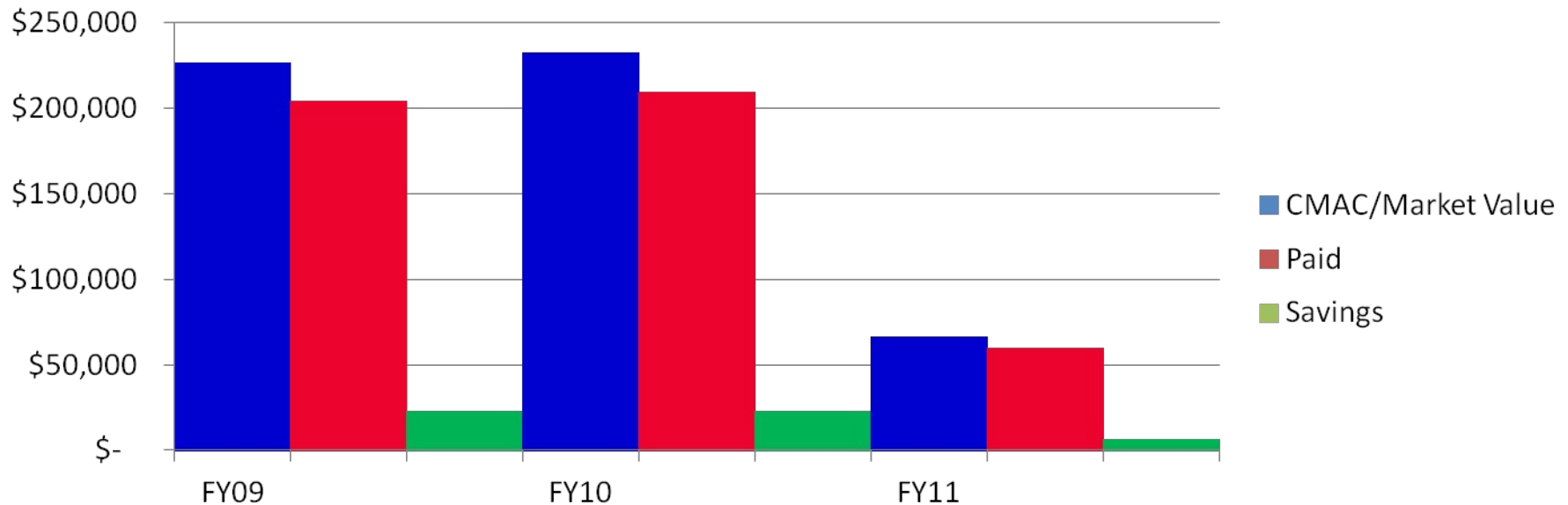
	FY09	FY10	FY11
<b>CMAC/Market Value</b>	\$ 355,654	\$ 574,680	\$ 831,088
<b>Paid</b>	\$ 319,276	\$ 510,335	\$ 735,756
<b>Savings</b>	\$ 36,378	\$ 64,345	\$ 95,332
<b>VA Encounters at Eglin</b>	1,674	2,144	715

Savings Calculated: CMAC/Market Value Less Negotiated Rate with DoD  
Paid and encounters are based on bills paid.

# VA Gulf Coast: Joint Venture Review

## Total Volume/Cost Savings/Encounters

### Tyndall



Combined VA savings over three FYs: **\$ 52,617**

	<b>FY09</b>	<b>FY10</b>	<b>FY11</b>
<b>CMAC/Market Value</b>	\$ 226,871	\$ 232,989	\$ 66,320
<b>Paid</b>	\$ 204,185	\$ 209,690	\$ 59,688
<b>Savings</b>	\$ 22,686	\$ 23,299	\$ 6,632
<b>VA Encounters at Tyndall</b>	837	823	265

Savings Calculated: CMAC/Market Value Less Negotiated Rate with DoD  
Paid and encounters are based on bills paid.



# VA Gulf Coast: Joint Venture Review

## Joint Venture Performance Measures



<b>PMs USED TO TRACK JV SUCCESS:</b>	<ol style="list-style-type: none"><li>1. Quality – Sustain the Highest Quality of Care</li><li>2. Access – Accessible to Patients</li><li>3. Cost – Financially Attractive and Mutually Beneficial to Both Entities</li></ol>
<b>DATA SOURCES USED FOR THE PMs:</b>	<ol style="list-style-type: none"><li>1. Joint Commission, IG, OMB, GAO, and Quality Performance Measures</li><li>2. Clinic Wait Time Data Cube and DoD Clinic Reports</li><li>3. Vista FEE File, CMAC Rate Sheets and Business Case Analysis</li></ol>
<b>OUTCOMES FOR EACH PM LISTED:</b>	<ol style="list-style-type: none"><li>1. Demonstrated Quality by Various Regulatory Agencies and Quality Indicators</li><li>2. Statistical Access Results Used to Identify Trends</li><li>3. Measurable Cost Savings</li></ol>



# VA Gulf Coast: Joint Venture Review

## Future Initiatives and/or Proposals



### NEAR TERM (1-2 YEARS) INITIATIVES:

1. Continue to develop standardized business practices and processes through the Joint Venture  
Business Office co-located at the Locker House on Keesler Air Force Base, MS.
2. Specifically, will be looking at capturing professional workload credit when VA providers see  
Veterans at DoD Medical Treatment Facilities.
3. New MRI at Tyndall 325 MDG has been installed; expect to be in operation early 2012.
4. Pain Management Initiative with Eglin 96 MDG to start this year and waiver for 35% discount approved.
5. New outpatient clinic with Navy at Panama City, FL. Land Use agreement signed for construction  
site, design contract awarded, construction contract to be awarded in FY2012.

### LONG TERM (>2 YEARS) GOALS / INITIATIVES / STRATEGIES:

1. Picture Archiving and Communication Systems (PACS) (National Issue for full connectivity, but we  
are pursuing potential for sharing diagnostic quality images, i.e. Naval Hospital Pensacola and Joint  
Ambulatory Care Center where fiber already exists.)
2. Separate VA/DoD Electronic Patient Records (National Issue, but we have participated in live  
demonstration of iEHR or integrated electronic health record)



# VA Gulf Coast: Joint Venture Review

## Current Issues (other than IM/IT)



Problem Identified: Professional workload for VA Outpatient Surgery patients seen at MTF is not being captured and professional workload/cost for DoD patients seen by VA providers at MTFs not always captured/billed.

Processes Flow Mapped to define the processes.

Solution Identified when VA Patients seen at MTF by VA Provider

- a. All MTF encounter documents will be scanned into CPRS by VA Authorization Clerk
- b. VA Authorization Clerk will alert VA Coders by placing patient data on share drive document
- c. VA Coders will input encounter data into VistA (Veterans Health Information System and Technology Architecture). This will generate relative value unit (RVU) and encounter transfer to Austin for entry into Veterans Equitable Resource Allocation (VERA) system)

Solution Identified when DoD Patients seen at MTF by VA Provider

- a. All MTF encounter documents will be sent to VA Coder for coding
- b. Coder will send to JVBO billers for billing MTF



# VA Gulf Coast: Joint Venture Review

## Best Practices - Lessons Learned



### Best Practices:

1. Shuttle Services provide an alternative that helps with base access. Shuttle services is provided between the Keesler/Biloxi campuses on an as-needed basis.
2. Combining resources and workload has worked well for the four Keesler/Biloxi Centers of Excellence.
3. Coordinating care from a multi service market perspective using an Executive Management Team or some other governing body offers opportunities to coordinate care for a larger VA/DoD populations.

### Lessons Learned:

1. Starting or expanding sharing initiatives does not always mean moving fast. Rather it means that the partners should move at a pace that is comfortable to all partners, when it is safe for patients and staff, and only when it is mutually beneficial. For example, cardiology referrals were temporary curtailed when 81 MDG lost a cardiothoracic surgeon. The referrals were re-started when both partners determined it was safe to do so.
2. The contracting process can slow implementation of initiatives. For example, contract Air Force employees for the Joint Venture Business Office and Sleep Lab.